

Resolution No.: 15-1049

Introduced: May 18, 2005

Adopted: June 14, 2005

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: Health and Human Services Committee

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**SUBJECT:** Special Appropriation to the FY05 Operating Budget  
Montgomery County Government  
NDA - Support for the Arts and Recreation  
Operating Support for the American Film Institute, \$686,000

**Background**

1. Section 308 of the Montgomery County Charter provides that a special appropriation:  
a) may be made at any time after public notice by news release; b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency or to act without delay in the public interest; c) must specify the revenues necessary to finance it; and d) must be approved by no fewer than six members of the Council.
2. The County and the American Film Institute (AFI) entered into a Lease Agreement for the Silver Theatre in November 2001.
3. In consideration of the terms of the lease, the County provided a total of \$600,000 for the guaranteed purchase of tickets in FY02 and FY03. In FY04 and FY05, the County provided contributions of \$347,340 and \$325,000 respectively to an Escrow Fund to cover any negative difference between revenues and expenses at the Theatre.
4. In preparing a budget for FY06, AFI determined that additional contributions to the Escrow Fund would be needed to make up revenue shortfalls in FY04 and FY05 resulting from opening the Silver Theatre before other elements of the Silver Spring redevelopment were in place, and from shortfalls in fundraising revenues. The amounts requested are \$350,000 for FY04 and \$336,000 for FY05.
5. The Executive proposed funding the additional FY04 and FY05 requests in the FY06 operating budget. The Health and Human Services Committee reviewed the Executive's proposal on April 28, and recommended funding the FY04 and FY05 requests in FY05 to be more consistent with the timing in which the subject funds were expended.
6. The Health and Human Services Committee recommends a special appropriation totaling \$686,000 as a contribution to the Escrow Fund for AFI to cover funding shortfalls of

\$350,000 in FY04 and \$336,000 in FY05, and specifies that the source of funds will be General Fund reserve.

7. Notice of a public hearing was given and a public hearing was held on June 14, 2005.

**Action**


The County Council for Montgomery County, Maryland approves the following resolution:

1. A special appropriation to the FY05 Operating Budget of the NDA – Support for the Arts and Recreation is approved as follows:

Personnel Services	Operating Expenses	Capital Outlay	Total	Source of Funds
0	686,000	0	686,000	General Fund reserve

2. This special appropriation is necessary to act without delay in the public interest.

This is a correct copy of Council action.

  
Linda M. Lauer, Clerk of the Council